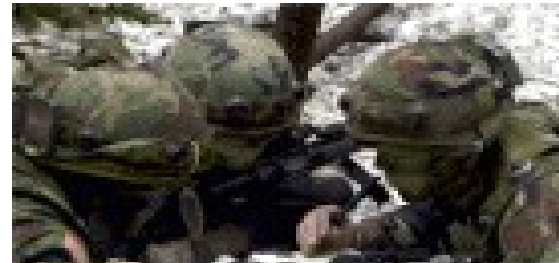




Assistant Secretary of the Army Financial Management and Comptroller

Joint Reconciliation Program Video Tele-conference



Phase III Triannual Review Ending
September 30, 2004
December 1, 2004

1500-1630



Agenda



Mr.

- **Roll Call
Argodale**
- **Opening Remarks**
- **Summary Program Update**
- **Closing Remarks:
Argodale**

Mr.



Opening Remarks

**Mr. John J. Argodale
Deputy Assistant Secretary of the
Army
(Financial Operations)**



Program Update



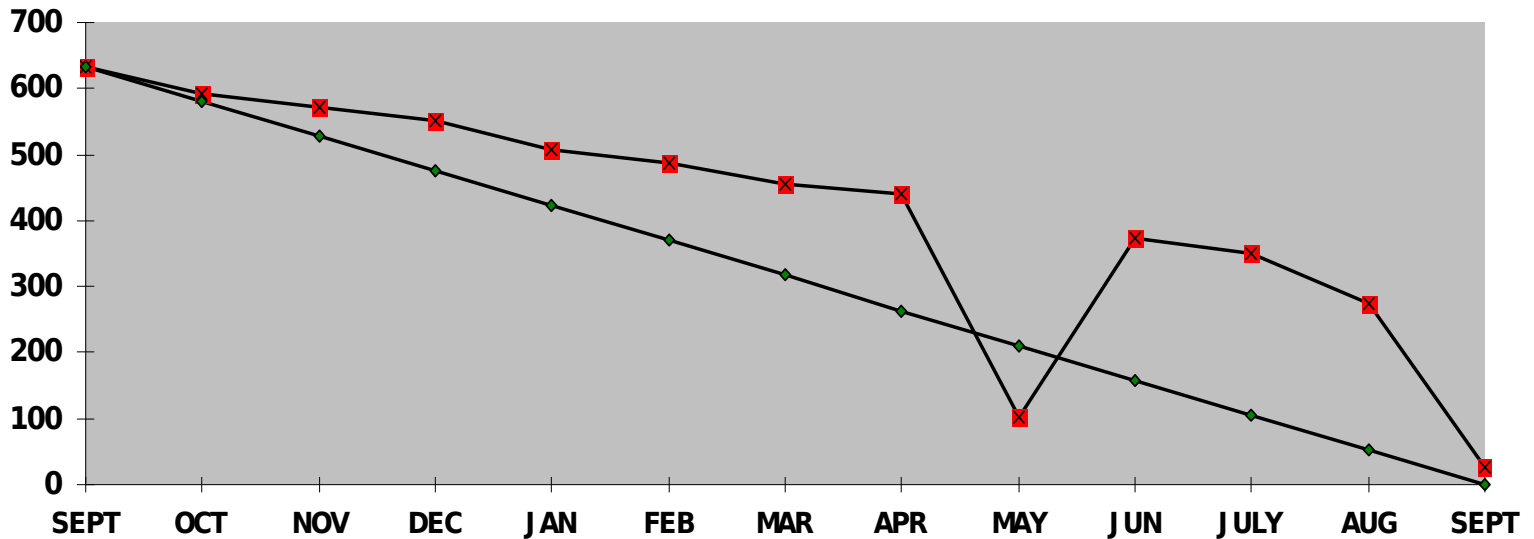
FY 04 Canceling Appropriations

Actual vs. Straight Line

By Sep 30, 2004:

➤ Reduce unliquidated obligations to zero

1 Oct 03 = \$ 633 M
30 Sep 04 = \$ 26 M

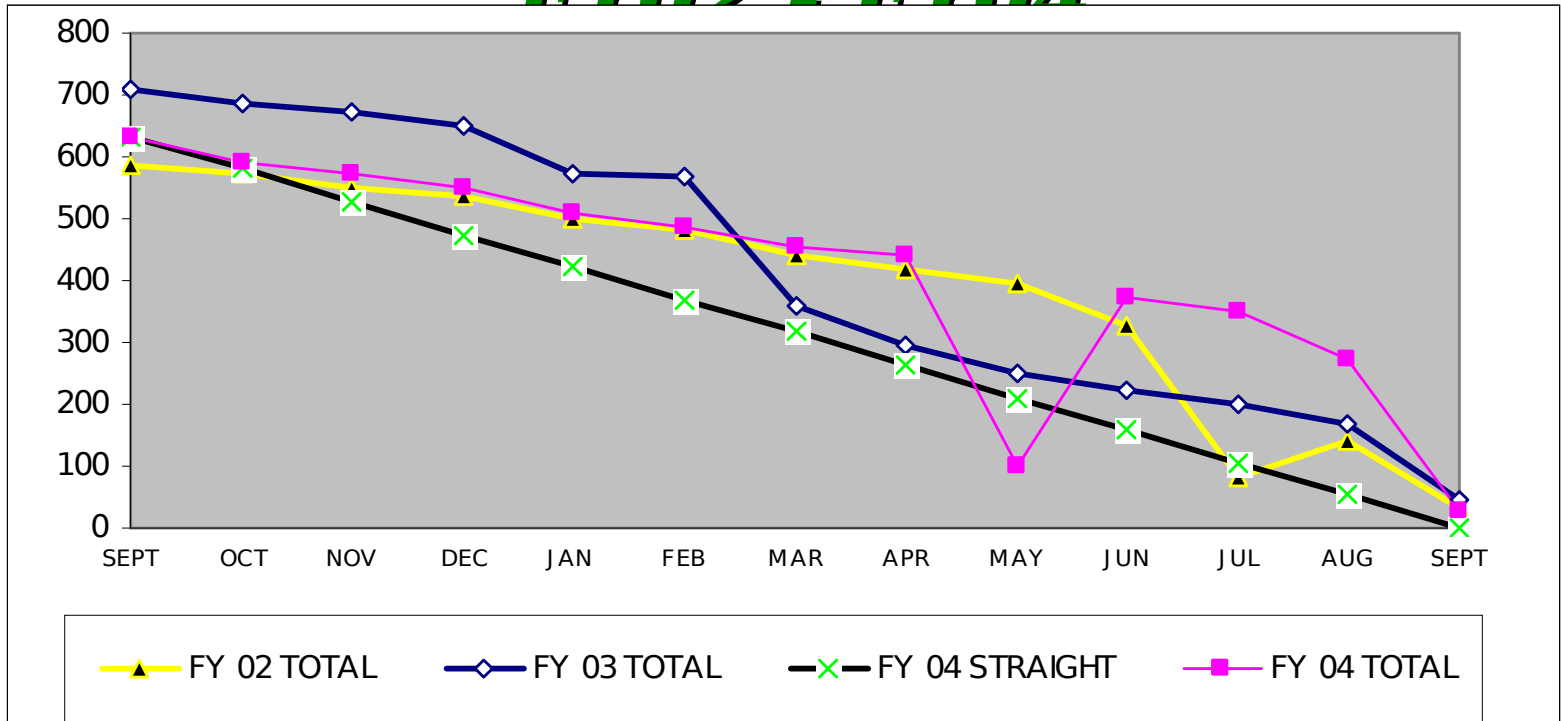


DATA SOURCE: DFAS REPORT



Canceling Appropriations

FY02 - FY04



	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT
FY 02 TOTAL	586.65	572.40	550.69	537.79	499.39	481.39	439.42	417.81	394.68	326.15	80.11	140.58	30.00
FY 03 TOTAL	709.22	684.95	670.49	650.41	570.61	567.52	359.96	297.71	248.07	223.76	200.65	167.92	45.00
FY 04 STRAIGHT	633.13	580.37	527.61	474.85	422.09	369.33	316.57	263.80	211.04	158.28	105.52	52.76	0.00
FY 04 TOTAL	633.13	592.21	572.00	550.07	508.03	487.23	456.13	440.46	100.82	374.38	349.15	273.05	26.22

DATA SOURCE: DFAS REPORT



Army Payoff -Cancelina Appropriation

Total Potential Liability FY98-FY03

\$129.2

Total Paid FY98 - FY04

96.4

\$

Funded as of 30

Sep 04

AFH \$ -0-

MCA -0-

PROC

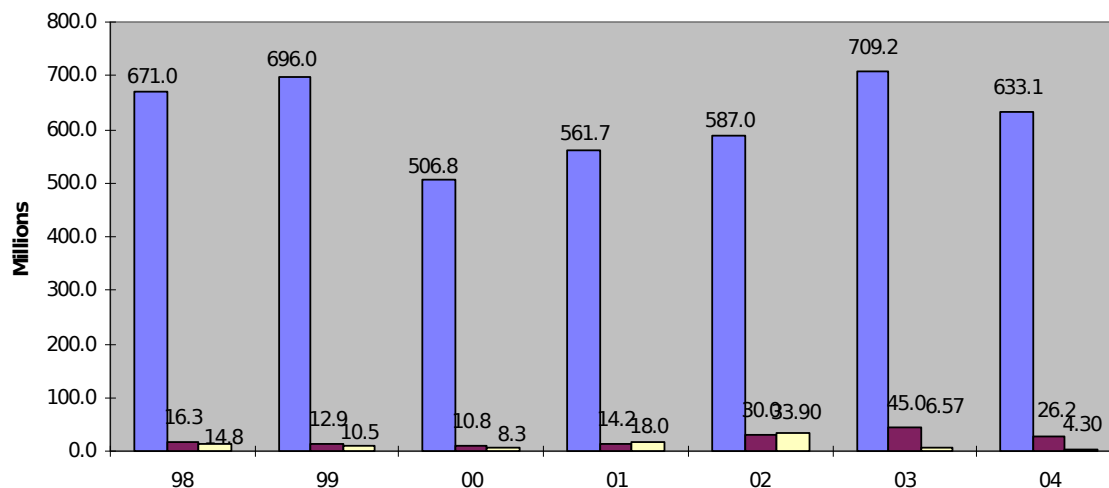
708,705.71

RDTE

569,361.73

MCA 0

Million

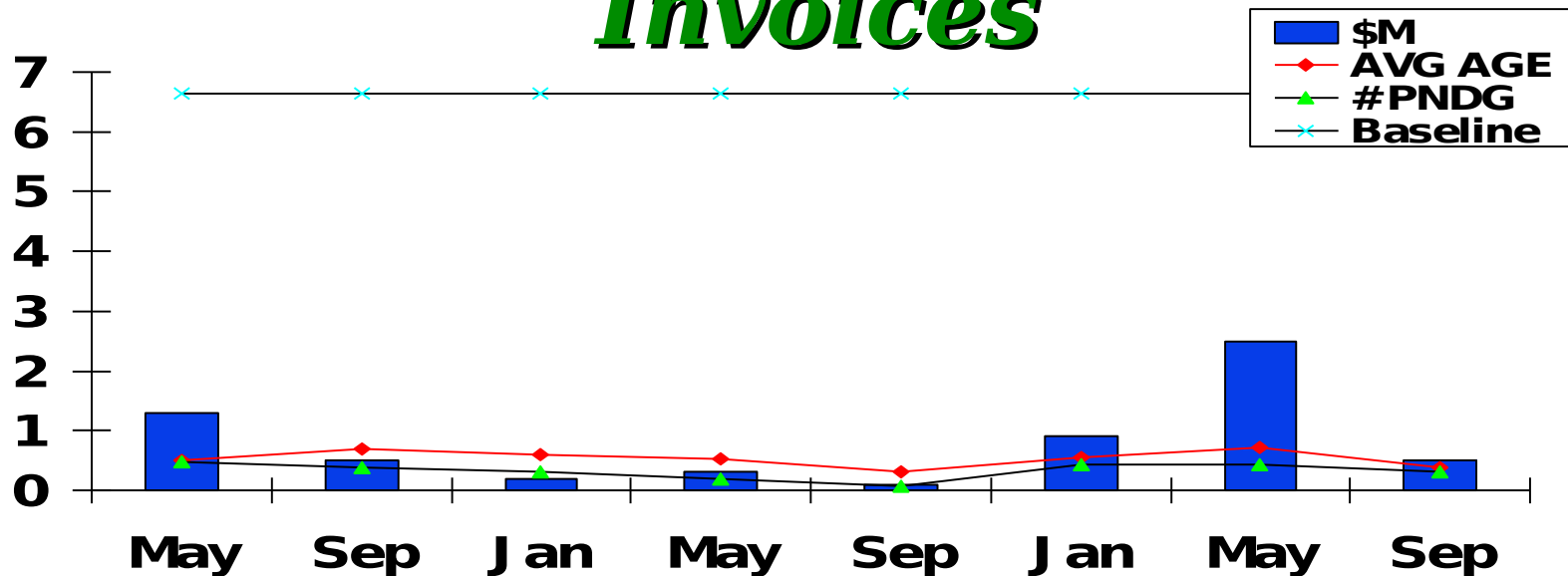


■ Canceling Balances
 ■ Potential Liability
 ■ Canceled Liability Funded

DATA SOURCE: DFAS, ARMY BUDGET



Backlog of Cancelled Account Invoices



	FY 02			FY 03			FY 04		
	May	Sep	Jan	May	Sep	Jan	May	Sep	
\$ M	1.3	0.5	0.2	0.3	0.11	0.9	2.5	0.5	
#PNDG	47	38	32	18	8	44	43	30	
AGE	53	68	62	52	32	54	72	39	



Backlog of Cancelled Account Invoices

\$(000)

30 Sep 04

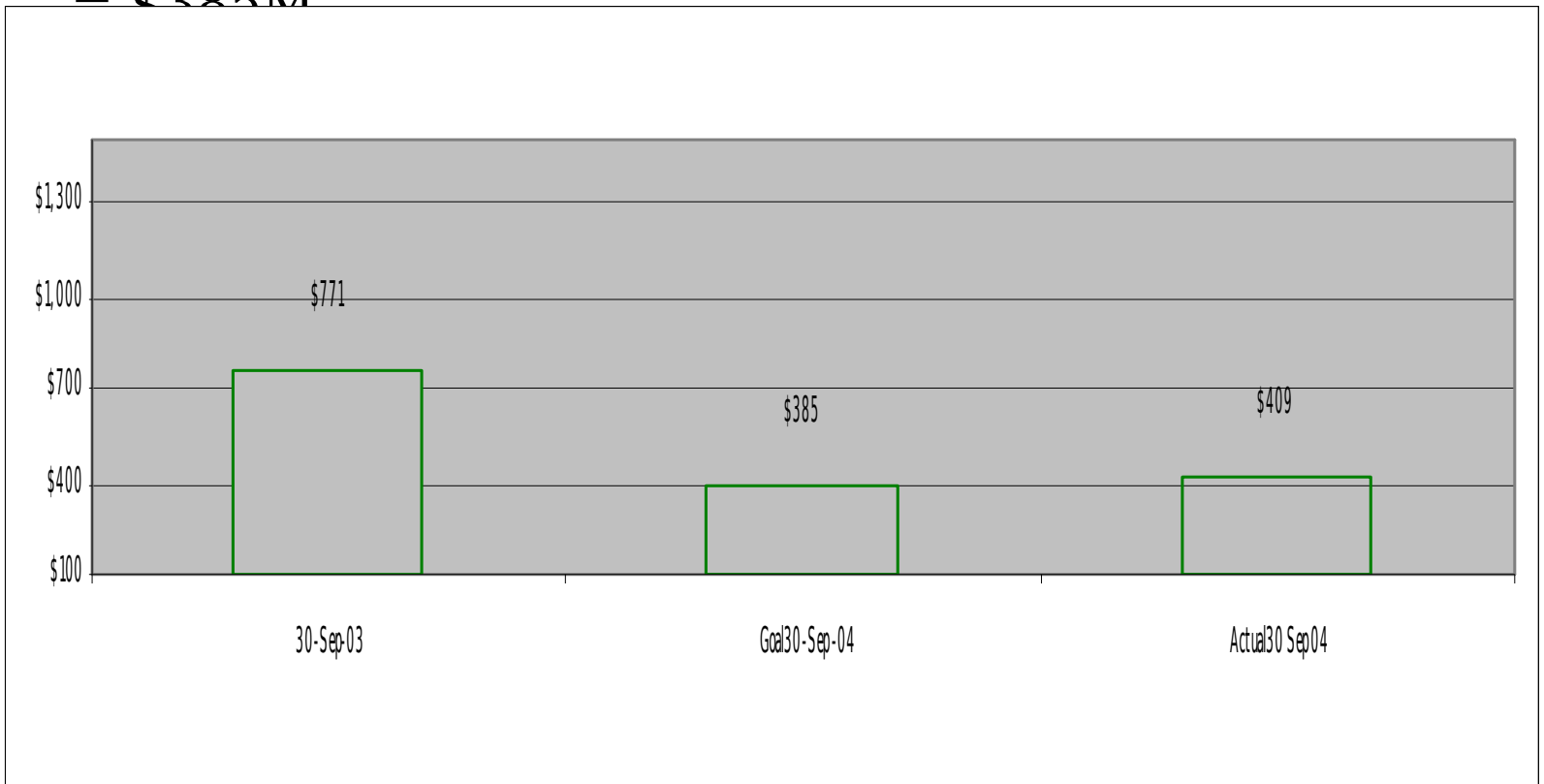
	<u># of Lines</u>	<u>\$ Amount</u>	<u>Age</u>	<u># of Lines</u>	<u>\$ Amount</u>
AMC	20	479.0	>180	0	-
OSA	5	20.0	>120	0	-
Other	5	47.0	NEW	30	546.0
TOTAL	30	546.0	TOTAL	30	546.0
OMA	13	167.7	AMC	20	479.0
PROC	10	342.7	OSA	5	20.0
RDTE	6	35.6	Other	5	47.0
Other*	1	0.0	NEW	30	546.0
TOTAL	30	546.0			



Fourth Expired Year ***(millions)***

By Sep 30, 2004

- Reduce 4th expired year by 50%
= \$385M



DATA SOURCE: DFAS REPORT



Travel Advances Expired Years

By 30 Sep 2004:

- Reduce travel advance in expired years to zero

	<u>1 Oct 03</u>	<u>30 Sep 04</u>
<u>%Decrease</u>		
Expired Travel Adv	\$ 38.7M	\$ 25.3M
34.6%		

DATA SOURCE: DFAS REPORT



Voucher Percentage Summary FY 04

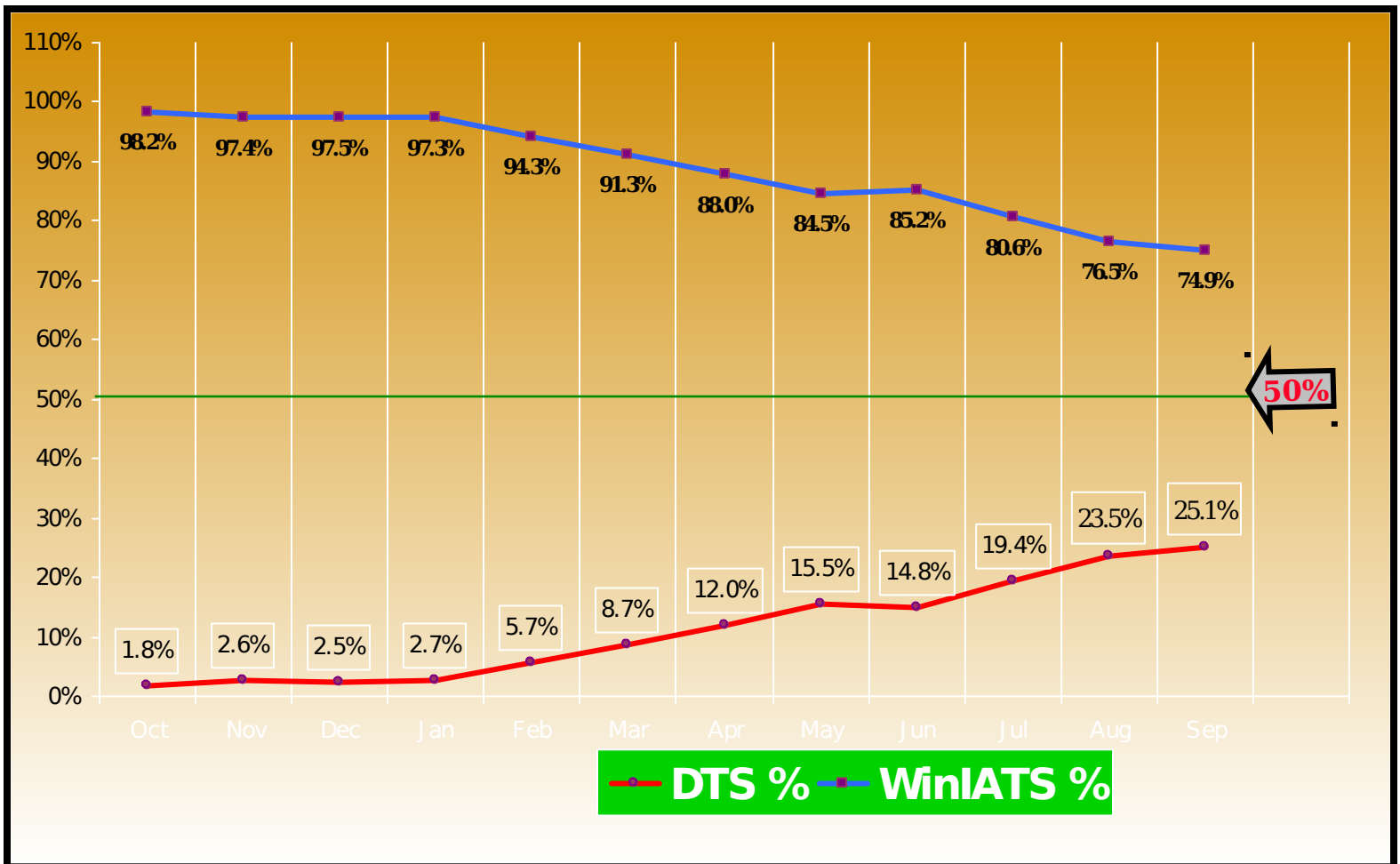
Only Sites Proliferated or Scheduled for Proliferation in FY 04

DTS RATES

WinIATS=\$32.56

DTS=\$1.67

By Sep 30, 2005: Increase DTS Usage to 50%





DTS Sites Proliferated FY02- FY04

Fielding Activities	JOC
Ft. Campbell	2/25/2002
Aberdeen Proving Ground	6/24/2002
Fort McPherson	10/24/2002
HQDA	6/23/2003
USMA Westpoint	11/10/2003
Ft. Monroe	11/24/2003
NGB HQ	12/5/2003
Ft. Belvoir	12/5/2003
Ft. Riley	12/8/2003
Ft. Huachuca	1/9/2004
Ft Irwin	1/16/2004
Ft Bliss	1/22/2004
White Sands	1/23/2004
Ft Shafter	1/30/2004
Ft. Leonard Wood	2/6/2004
Ft Richardson	3/3/2004
Detroit Arsenal	3/3/2004
Ft Wainwright	3/5/2004
Ft Rucker	3/24/2004
Presidio of Monterey	3/26/2004
Ft. Jackson	4/8/2004
Ft Knox	5/6/2004
Ft Sill	5/14/2004
Fort Leavenworth	5/14/2004
Ft Lee	5/28/2004
Ft. Stewart	7/15/2004
Fort Lewis	7/23/2004
Fort Carson	7/23/2004
Fort Monmouth	7/23/2004
Ft. Sam Houston	7/30/2004
Fort Polk	8/20/2004
Rock Island Arsenal	8/20/2004



FY 05 DTS Deployment

Schedule

Site	IOC Date
266th FINCOM	29-Oct-04
Army Reserve, Corapolis, PA	3-Dec-04
AMC, Alexandria, VA	10-Dec-04
HRC, Alexandria, VA	4-Feb-05
Fort Hamilton, NY	11-Feb-05
Fort Bragg, NC	18-Feb-05
Fort Gordon, GA	11-Mar-05
Fort Hood, TX	11-Mar-05
Army Reserve, Devens, MA	15-Mar-05
Fort Eustis, VA	18-Mar-05
Army Reserve, Birmingham, AL	25-Mar-05
Army Reserve, Seattle, WI	25-Mar-05
Natick Labs, Natick, MA	1-Apr-05
Camp Casey, Korea	8-Apr-05
Fort Dix	22-Apr-05
Fort McNair, DC	22-Apr-05
Yongsan, Korea	22-Apr-05
Fort Drum, NY	6-May-05
Army Reserve, Fort Snelling, MN	13-May-05
Redstone Arsenal	20-May-05
Army Reserve, Little Rock, AR	3-Jun-05
Army Reserve, Ft Buchanan, San Juan, PR	3-Jun-05
Picatinny Arsenal	10-Jun-05
Fort Meade, MD	10-Jun-05
Fort McCoy, WI	17-Jun-05
Walter Reed Army Medical Ctr, Washington,	1-Jul-05
Army Reserve, Los Alamitos, CA	8-Jul-05
Fort Detrick, MD	8-Jul-05
Army Reserve, Wichita, KS	15-Jul-05
Army Reserve, Fort Toten, NY	22-Jul-05
Army Reserve, Salt Lake City, UT	16-Sep-05



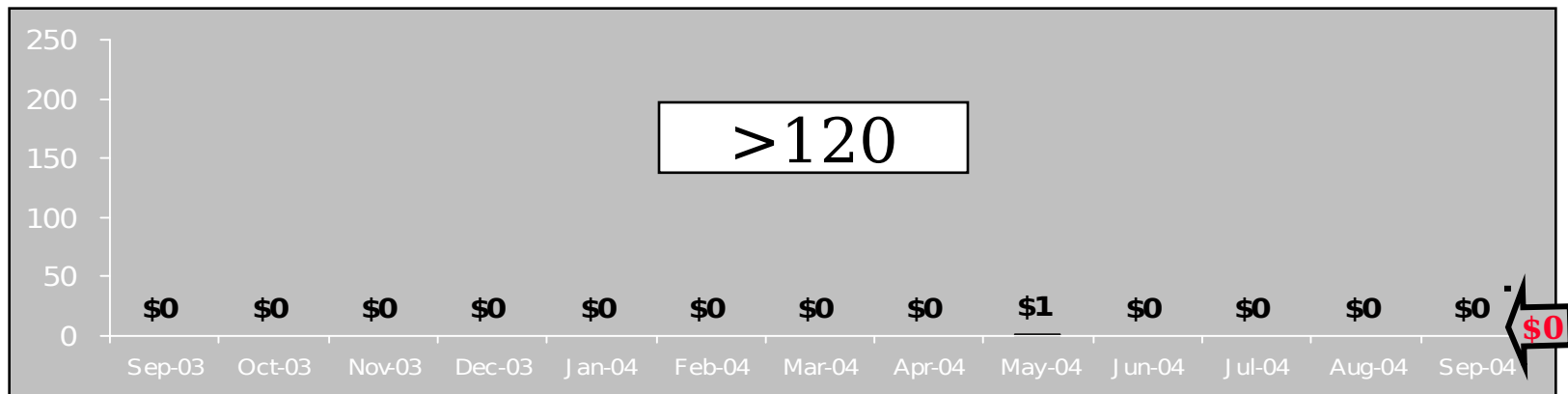
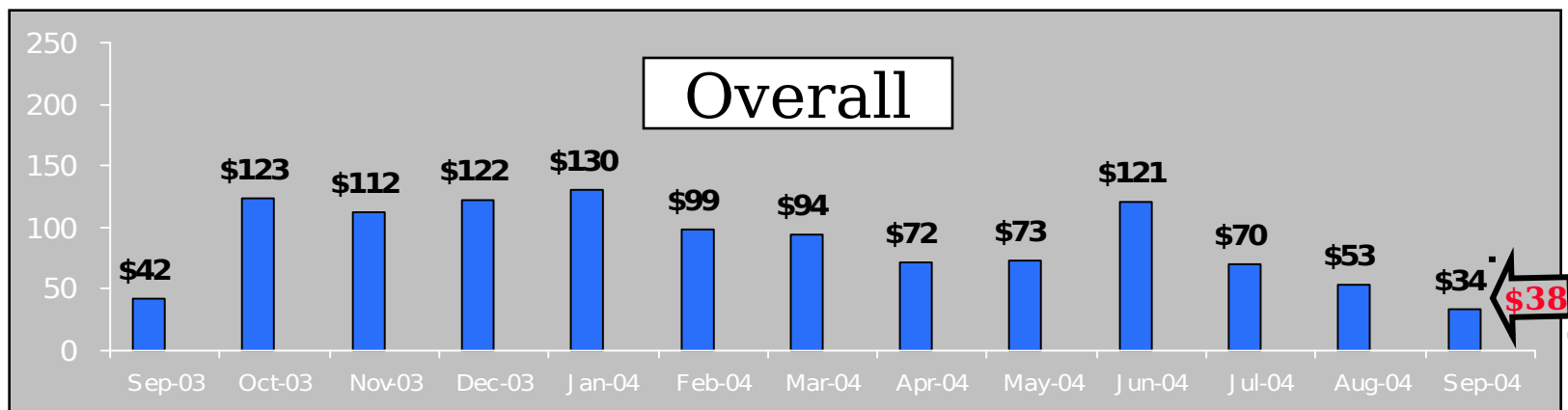
Problem Disbursements (NULOs & UMDs)



Negative Unliquidated Obligations

By 30 Sep 2004:

- 25% reduction overall
- baseline of \$0 Sep 2004
- reduce more (if 20 days)



DATA SOURCE: DFAS



Negative Unliquidated Obligations

Operating Agencies		Army 25% Goal	FY04 Met/Not Met	Sep-03 Actual	Sep-04
36	SPACE & MISSILE DEFENSE COMMAND	1,587,540	Not Met	1,763,933	2,232,391
57	TRADOC	531,009	Not Met	590,010	1,422,743
5A	PEO	12,092,604	Not Met	13,436,226	12,921,962
6A	AMC	20,174,874	Met	22,416,527	12,194,423
76	FORSCOM	257,287	Not Met	285,874	1,659,574
CO	COLUMBUS	0	Not Met	0	1,442,284
TOTALS		34,643,314		38,492,571	31,873,377

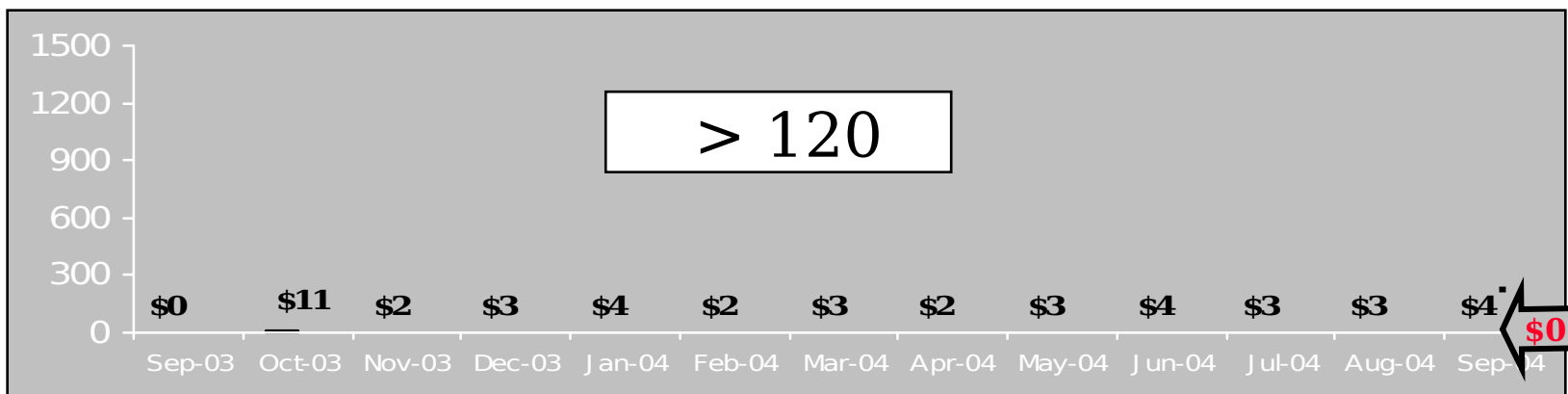
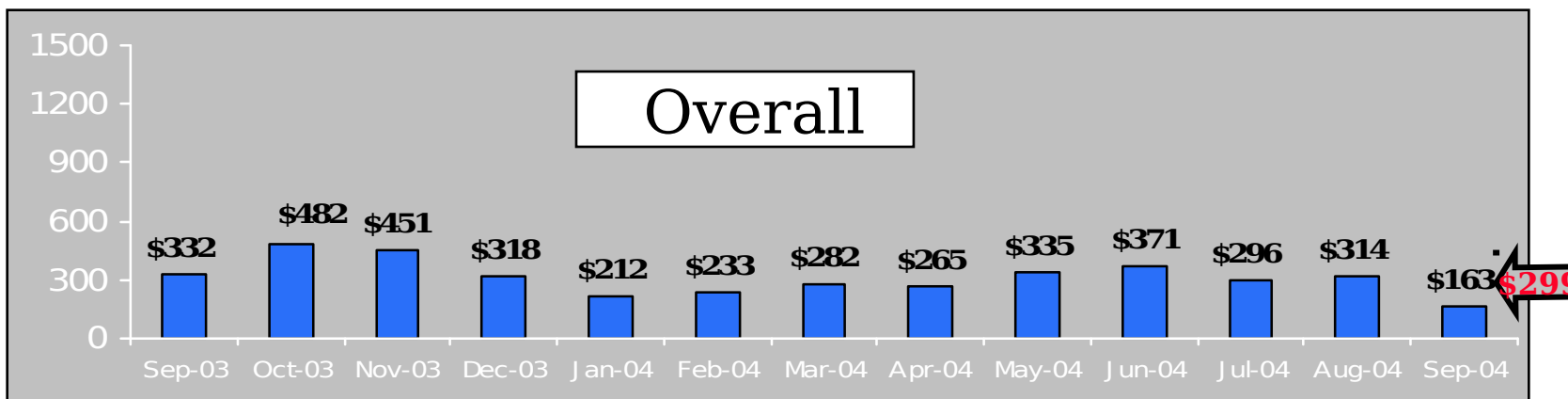
DATA SOURCE: DFAS



Unmatched Disbursements

By 30 Sep 2004:

- 10% reduction overall
- Baseline of 30 Sep 2003
- Reduce to zero (>120 days)



DATA SOURCE: DFAS



Unmatched Disbursements

UMD (ABS)	OVERALL				
Operating Agency		Army 10% Reduction Goal	FY 04 Met/Not Met	Sep-03 ACTUAL	Sep-04
01	DCSPER	0	Not Met	0	1,564,343
18	NATIONAL GUARD BUREAU	6,614,802	Met	7,349,780	5,445,332
35	MILITARY TRAFFIC MANAGEMENT COMMAND	164,071	Not Met	182,301	1,193,974
57	TRADOC	1,775,428	Met	1,972,698	1,088,684
6A	AMC	277,152,187	Met	307,946,874	139,212,378
76	FORSCOM	1,976,389	Met	2,195,988	1,343,968
78	8TH USA, YONGSAN	20,387	Not Met	22,653	4,990,972
87/89	USA EUROPE & 7TH COMMAND	5,036,661	Met	5,596,290	2,135,107
CO	COLUMBUS-TI 97	417,785	Not Met	464,206	3,713,777
TOTAL		293,157,710		325,730,788	160,688,534

> 120								
Operating Agency		Sep 04 GOAL	FY 04 Met/Not Met	Sep-03 ACTUAL	Jun-04	Jul-04	Aug-04	Sep-04
CO	COLUMBUS-TI 97	0	Not Met	475,638	2,754,675	2,519,372	2,567,678	2,568,272

DATA SOURCE: DFAS

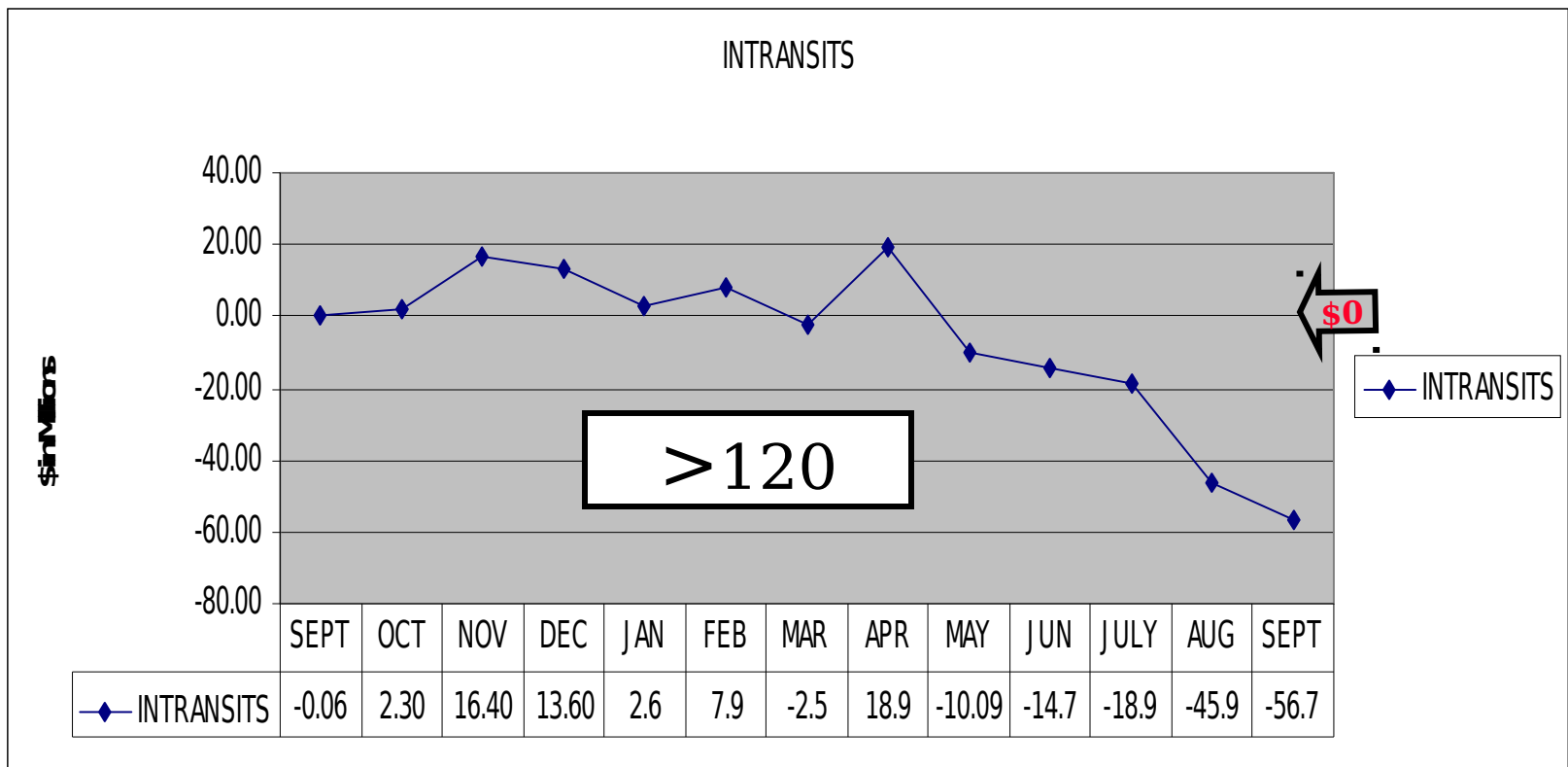


INTRANSITS

Disbursements

By 30 Sep 2004:

- Baseline of 30 Sep 2003
- Reduce to zero (>120 days)



DATA SOURCE: DFAS



Special Interest Items

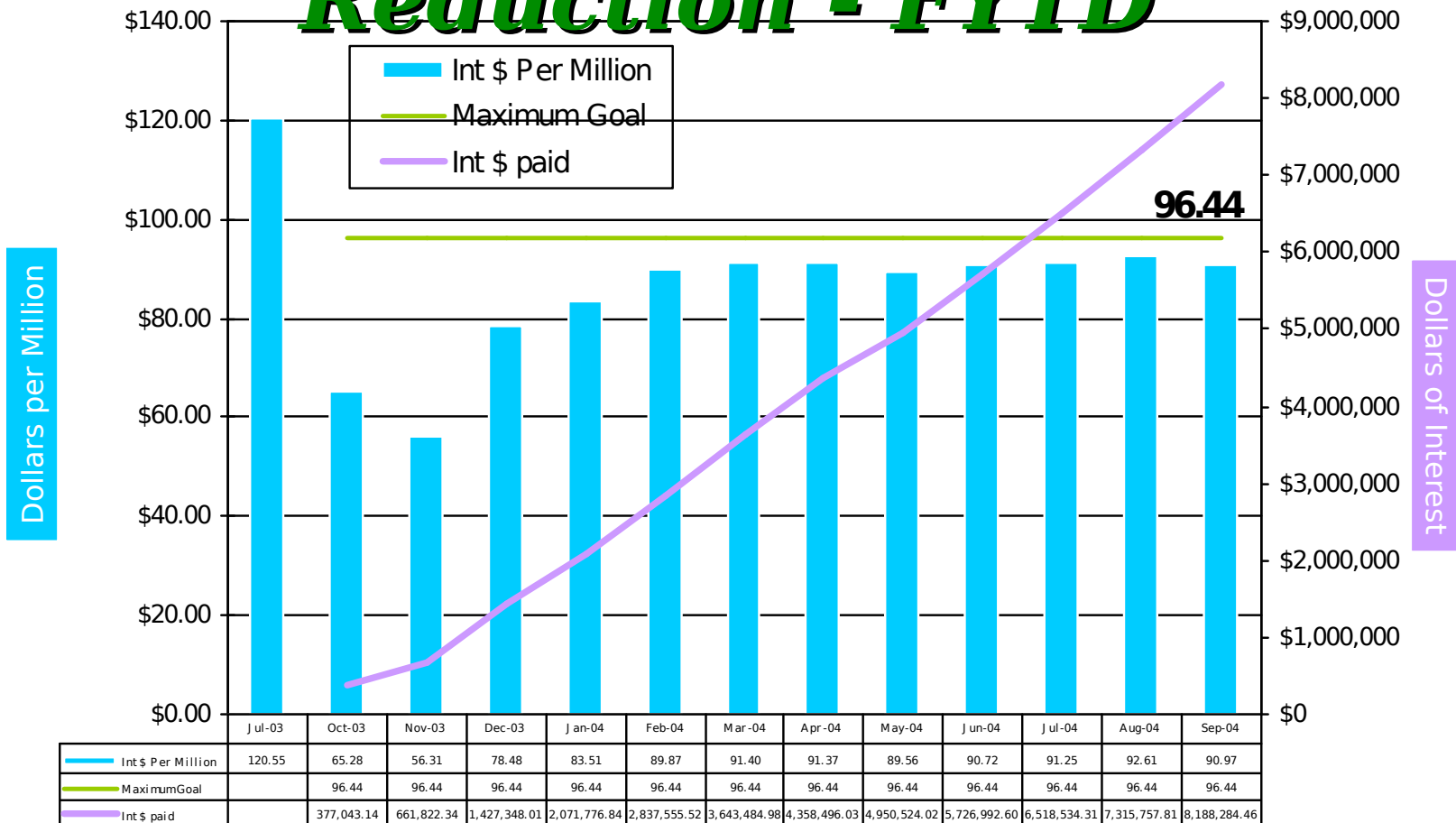


DFAS

Prompt Pay Interest Reduction



Prompt Pay Interest Reduction - FYTD



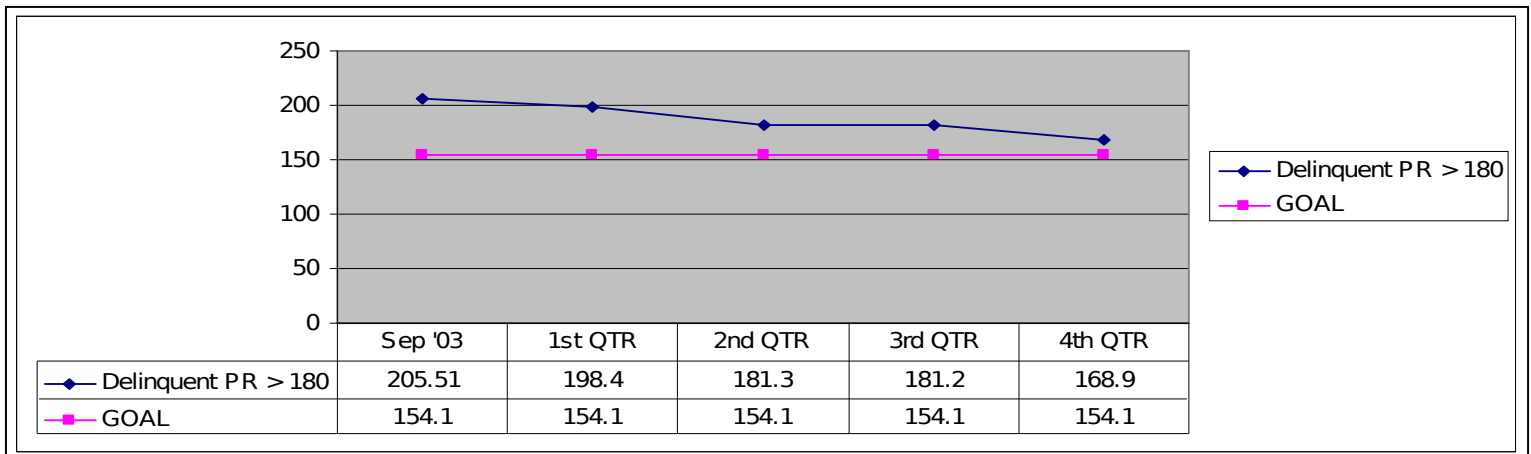
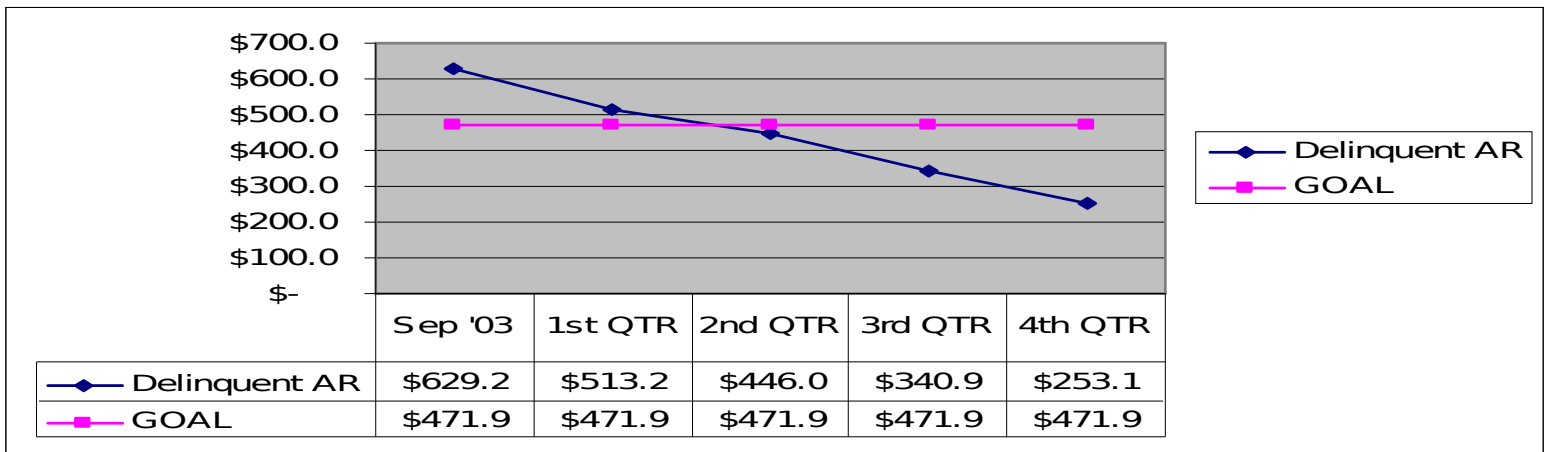
	FY 04 YTD	July 2003 Baseline	FY 04 Goal
ARMY	120.55	96.44	90.97



Accounts Receivable

By 30 Sep 2004:

- Baseline of 30 Sep 2003
- 25% Reduction of Delinquent Accounts Receivable
- 25% Reduction of Delinquent Public Receivable Amounts (>180 days)



DATA SOURCE: DFAS

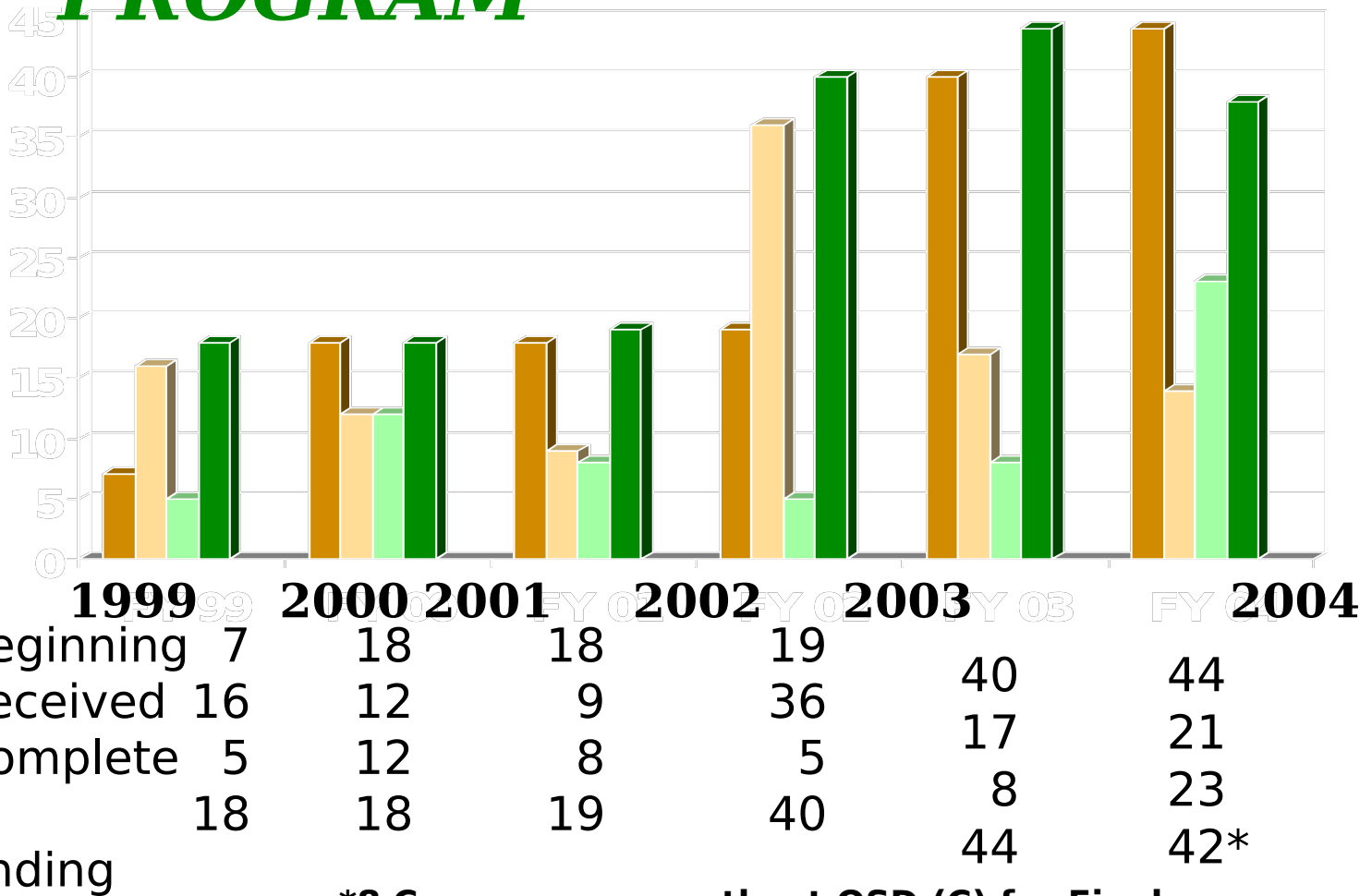


Anti-Deficiency Act Violations

<u>MACOMS</u>	<u>FORMAL ADA CASES</u>		<u>POTENTIAL ADA CASES</u>	
	Total	> one Year	Total	> one Year
NGB	3	3	5	2
AMC	3	2	2	0
EUSA	3	2	1	0
COE	0	0	1	0
INSCOM	1	0	3	0
MEDCOM	0	0	1	0
OA 22 (CIO/G6) / ABO	0	0	1	1
HQDA	5	5	2	2
OSD (C)	8	8	0	0
IMA	0	0	1	1
OCAR	1	0	0	0
TOTAL	24	20	17	6



ANTIDEFICIENCY ACT PROGRAM



***8 Cases are currently at OSD (C) for Final Review**



ADA Trend Analysis

Most Frequent Violations - Army

- Citing incorrect **Wide** proper appropriation
- Exceeding appropriation fund availability amount at formal subdivision level
- Using operating funds to acquire equipment items that require procurement funds (expense versus investment thresholds)
- Exceeding limits on use of OMA for minor construction projects
- Obligating in advance of funds being



Main Causes of ADA Violations DoD-wide

- Established internal controls and SOPs not followed
- Inadequate supervisory oversight
- Lack of appropriate training
- Inadequate SOPs and internal controls

***Ref: DoD FMR VOL 14, Chapter 10, revised
Oct 2004,***

http://east.defenselink.mil/comptroller/fmr/14/14_10.pdf



ADA Case Summaries on AKO

- Copies of all ADA final summaries submitted to the President and Congress during FY02 -FY04 are being posted to AKO (names deleted).
- Site will also include notice of preliminary cases closed at HQDA and ADA policy updates.
- [***https://www.us.army.mil/suite/portal/index.jsp***](https://www.us.army.mil/suite/portal/index.jsp)

(AKO website) Select: "Army Organizations", "Financial", "Go to Financial Knowledge Center" (Bottom



JRP FY 05 Goals

- a. Problem Disbursements (UMD, NULO and INTRANSITS): Using September 30, 2004 as the baseline, by September 30, 2005:
 - Reduce to zero all problem disbursements over 120 days (UMDs and NULOs)
 - Reduce Intransits over 30 days old to zero.
 - Reduce total Unmatched Disbursements (UMD) by 10 percent.
 - Reduce total Negative Unliquidated Obligations (NULO) by 10 percent.
- b. Unliquidated Obligations: Using September 30, 2004 as the baseline, by September 30, 2005:
 - Reduce to zero unliquidated obligations in the canceling accounts.
 - Reduce unliquidated obligations in the 4th expired year by 50 percent.
- c. Travel Advances:
 - By September 30, 2005, reduce to zero travel advances in the expired years.
- d. Interest Penalties:
 - By September 30, 2005, reduce interest penalty payments paid per million dollars disbursed to \$85



JRP FY 05 Goals

- e. Using September 30, 2003, Accounts Receivable as the baseline:
 - By September 30, 2005, reduce delinquent accounts receivable by 75 percent.
 - By September 30, 2005, reduce delinquent public receivable amounts greater than 180 days by 95 percent.
 - By September 30, 2005, reduce public receivables requiring due process greater than 90 days by 95 percent.
- f. ADA Cases: Using September 30, 2004 ADA case balances as the baseline, by September 30, 2005:
 - By September 30, 2005, reduce inventory of formal ADA cases by 100 percent.
 - By September 30, 2005, reduce beginning inventory of potential ADA cases by 80 percent.
- g. Defense Travel System (DTS):
 - By September 30, 2005, increase use of DTS by field sites with initial operating capabilities to 50 percent.
- h. Expired Unliquidated Obligations (ULO) MILPERS:
 - By September 30, 2005, reduce fiscal year 2003 ULO balances to 0.5 percent or less.
- i. Expired Unliquidated Obligations (ULO) O&M:



Initiatives

ASK-FM Timeline

(703) 693-2818

General Fund Enterprise Business System (GFEBS):

(703) 602-1960

Automated Fund Control Program (AFCP):

(703) 693-2790

Defense Travel System FY05 Deployment Schedule:

(703) 693-2703



Joint Reconciliation Program

➤ ***Website:***

<http://www.asafm.army.mil/fo/fod/jrp/jrp.asp>

➤ ***Centralized mailbox:***

JointReconProgram@hqda.army.mil

➤ ***Next VTC: Scheduled for March 10,
2005***

***FY 05 Phase I Reporting,
1500-1630***





Closing Remarks